

# SENATE BILL 314

C5, M1  
SB 583/09 – FIN

11r1294  
CF 11r1292

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By: **Senator Edwards**  
Introduced and read first time: February 2, 2011  
Assigned to: Finance

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## A BILL ENTITLED

1 AN ACT concerning

2 **Public Utility Companies – Generating Stations – Wind**

3 FOR the purpose of repealing a provision that exempts a certain person from having to  
4 obtain a certificate of public convenience and necessity for a generating station  
5 that produces electricity from wind under certain circumstances; repealing a  
6 provision that requires a person to obtain approval from the Public Service  
7 Commission prior to any construction of a generating station that produces  
8 electricity from wind under certain circumstances; repealing a provision that  
9 requires the Commission to provide an opportunity for public comment at a  
10 public hearing in a certain manner under certain circumstances; repealing a  
11 provision requiring the Commission to provide certain notices; and generally  
12 relating to electricity from wind generating stations.

13 BY repealing and reenacting, without amendments,  
14 Article – Public Utilities  
15 Section 7–207(b)  
16 Annotated Code of Maryland  
17 (2010 Replacement Volume)

18 BY repealing and reenacting, with amendments,  
19 Article – Public Utilities  
20 Section 7–207.1  
21 Annotated Code of Maryland  
22 (2010 Replacement Volume)

23 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
24 MARYLAND, That the Laws of Maryland read as follows:

25 **Article – Public Utilities**

26 7–207.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.  
[Brackets] indicate matter deleted from existing law.



1 (b) (1) (i) Unless a certificate of public convenience and necessity for  
2 the construction is first obtained from the Commission, a person may not begin  
3 construction in the State of a generating station.

4 (ii) If a person obtains Commission approval for construction  
5 under § 7–207.1 of this subtitle, the Commission shall exempt a person from the  
6 requirement to obtain a certificate of public convenience and necessity under this  
7 section.

8 (2) Unless a certificate of public convenience and necessity for the  
9 construction is first obtained from the Commission, and the Commission has found  
10 that the capacity is necessary to ensure a sufficient supply of electricity to customers  
11 in the State, a person may not exercise a right of condemnation in connection with the  
12 construction of a generating station.

13 (3) Unless a certificate of public convenience and necessity for the  
14 construction is first obtained from the Commission, an electric company may not begin  
15 construction of an overhead transmission line that is designed to carry a voltage in  
16 excess of 69,000 volts or exercise a right of condemnation with the construction.

17 7–207.1.

18 (a) This section applies to a person who:

19 (1) constructs a generating station[:

20 (i)] designed to provide on–site generated electricity if:

21 [1.] (I) the capacity of the generating station does not  
22 exceed 70 megawatts; and

23 [2.] (II) the electricity that may be exported for sale  
24 from the generating station to the electric system is sold only on the wholesale market  
25 pursuant to an interconnection, operation, and maintenance agreement with the local  
26 electric company; or

27 [(ii) that produces electricity from wind if:

28 1. the generating station is land–based;

29 2. the capacity of the generating station does not exceed  
30 70 megawatts;

31 3. the electricity that may be exported for sale from the  
32 generating station to the electric system is sold only on the wholesale market

1 pursuant to an interconnection, operation, and maintenance agreement with the local  
2 electric company; and

3 4. the Commission provides an opportunity for public  
4 comment at a public hearing as provided in subsection (e) of this section; or]

5 (2) constructs a generating station if:

6 (i) the capacity of the generating station does not exceed 25  
7 megawatts;

8 (ii) the electricity that may be exported for sale from the  
9 generating station to the electric system is sold only on the wholesale market pursuant  
10 to an interconnection, operation, and maintenance agreement with the local electric  
11 company; and

12 (iii) at least 10% of the electricity generated at the generating  
13 station each year is consumed on-site.

14 (b) (1) The Commission shall require a person that is exempted from the  
15 requirement to obtain a certificate of public convenience and necessity to obtain  
16 approval from the Commission under this section before the person may construct a  
17 generating station described in subsection (a) of this section.

18 (2) An application for approval under this section shall:

19 (i) be made to the Commission in writing on a form adopted by  
20 the Commission;

21 (ii) be verified by oath or affirmation; and

22 (iii) contain information that the Commission requires,  
23 including:

24 1. proof of compliance with all applicable requirements  
25 of the independent system operator; and

26 2. a copy of an interconnection, operation, and  
27 maintenance agreement between the generating station and the local electric  
28 company.

29 (c) When reviewing an application for approval under this section, the  
30 Commission shall:

31 (1) ensure the safety and reliability of the electric system;

1           (2)     require the person constructing the generating station to notify the  
2 Commission 2 weeks before the first export of electricity from a generating station  
3 approved under this section; and

4           (3)     conduct its review and approval in an expeditious manner.

5           (d)     The Commission may waive an element of the approval process under  
6 this section if the Commission determines that the waiver is in the public interest.

7           [(e) (1)     The Commission shall provide an opportunity for public comment  
8 and hold a public hearing as provided under this subsection on an application for  
9 approval made under subsection (a)(1)(ii) of this section in each county and municipal  
10 corporation in which any portion of the construction of a generating station is  
11 proposed to be located.

12           (2)     Upon the request of the governing body of a county or municipal  
13 corporation in which any portion of the construction of a generating station is  
14 proposed to be located, the Commission shall hold the public hearing jointly with the  
15 governing body.

16           (3)     Once in each of 2 successive weeks immediately before the hearing  
17 date, the Commission, at the expense of the applicant, shall provide weekly notice of  
18 the public hearing and opportunity for public comment by advertisement in a  
19 newspaper of general circulation in the county or municipal corporation affected by  
20 the application.]

21           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
22 June 1, 2011.